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## Funding Sources

The most successful method of funding greenways is to combine private sector funds with funds from local, state, and federal sources. Many communities involved with greenway implementation will seek to leverage local money with outside funding sources, to increase resources available for greenway acquisition and development.

To implement greenways in Asheville, local advocates and government staff should pursue a variety of funding sources. The funding sources listed in this chapter represent some of the greenway funding opportunities that have typically been pursued by other communities.



## **Public Funding Sources**

### **Federal**

Several federal programs offer financial aid for projects that aim to improve community infrastructure, transportation, housing, and recreation programs. Some of the federal programs that can be used to fund greenways include:

### **Transportation Equity Act for the 21st Century (TEA21)**

The primary source of federal funding for greenways is through the Transportation Equity Act of 1998 (TEA21), formerly the Intermodal Surface Transportation Efficiency Act (ISTEA). ISTEA provided millions of dollars in funding for bicycle and pedestrian transportation projects across the country and TEA21 will provide millions more.

There are many sections of TEA21 that support the development of bicycle and pedestrian transportation corridors. NCDOT can utilize funding from any of these subsets of TEA21. Those sections that apply to the creation of greenways, sidewalks and bikeways include:

- **Surface Transportation Program (STP) funds**  
These funds can be used for bicycle and pedestrian facility construction or non-construction projects such as brochures, public service announcements, and route maps. The projects must be related to bicycle and pedestrian transportation and must be part of the Long Range Transportation Plan. These funds are programmed by the Metropolitan Planning Organization (MPO) in the Transportation Improvement Program.
- **Transportation Enhancements Program**  
Ten percent of North Carolina's annual STP funds are available for Transportation Enhancements, which include projects such as trails, greenways, sidewalks, signage, bikeways, safety education and wildlife undercrossings. There is usually a 20 percent local match required (some states will accept donations of services, materials or land in lieu of cash). Projects must also comply with various federal laws and regulations in order to receive these funds. The North Carolina DOT administers TEA21 funding and should be contacted for further details.
- **Transit Enhancements Program**  
Transit Enhancement Activities. This will generate approximately \$30 million annually for these activities, which will then be divided among the 125 largest urban areas in the U. S. Activities eligible for funding include pedestrian access and walkways, bicycle access, bike storage facilities, bike-on-bus racks, and transit connections to parks within the transit service area.



- **National Recreational Trails Fund Act (NRTFA or Symms Act)**

A component of TEA21, the NRTFA is a funding source to assist with the development of non-motorized and motorized trails. The Act uses funds paid into the Highway Trust Fund from fees on non-highway recreation fuel used by off-road vehicles and camping equipment. This money can be spent on the acquisition of easements and fee simple title to property, trail development, construction and maintenance.

Through state agencies, “Symms Act” grants are available to private and public sector organizations. NRTFA projects are 80 percent federally funded, and grant recipients must provide a 20 percent match. Federal agency project sponsors or other federal programs may provide additional federal share up to 95 percent. Local matches can be in the form of donations of services, materials or land. Projects funded must be consistent with the Statewide Comprehensive Outdoor Recreation Plan.

### **Community Development Block Grant Program**

The U.S. Department of Housing and Urban Development (HUD) offers financial grants to communities for neighborhood revitalization, economic development, and improvements to community facilities and services, especially in low and moderate-income areas. Several communities have used HUD funds to develop greenways, including the Boulding Branch Greenway in High Point, North Carolina.

### **Land and Water Conservation Fund (LWCF) Grants**

This federal funding source was established in 1965 to provide park and recreation opportunities to residents throughout the United States. Money for the fund comes from the sale or lease of nonrenewable resources, primarily federal offshore oil and gas leases and surplus federal land sales. LWCF funds are used by federal agencies to acquire additions to National Parks, Forests, and Wildlife Refuges. In the past, Congress has also appropriated LWCF monies for so-called “state-side” projects. These “state-side” LWCF grants can be used by communities to acquire and build a variety of park and recreation facilities, including trails and greenways.

“State-side” LWCF funds are annually distributed by the National Park Service through the North Carolina Department of Environmental Health and Natural Resources (DEHNR). Communities must match LWCF grants with 50 percent of the local project costs through in-kind services or cash. All projects funded by LWCF grants must be used exclusively for recreation purposes, in perpetuity.

### **Conservation Reserve Program**

The U. S. Department of Agriculture, through its Agricultural Stabilization and Conservation Service, provides payments to farm owners and operators to place highly erodible or environmentally sensitive landscapes into a 10-15 year conservation contract. The



participant, in return for annual payments during this period, agrees to implement a conservation plan approved by the local conservation district for converting these sensitive lands to a less intensive use. Individuals, associations, corporations, estates, trusts, cities, counties and other entities are eligible for this program. This program can be used to fund the maintenance of open space and non-public use greenways along water bodies and ridge lines.

### **Wetlands Reserve Program**

The Department of Agriculture also provides direct payments to private landowners who agree to place sensitive wetlands under permanent easements. This program can be used to fund the protection of open space and greenways within riparian corridors. It is administered by the NRCS in North Carolina.

### **Watershed Protection and Flood Prevention (Small Watersheds) Grants**

The USDA Natural Resource Conservation Service (NRCS) provides funding to state and local agencies or nonprofit organizations authorized to carry out, maintain and operate watershed improvements involving less than 250,000 acres. The NRCS provides financial and technical assistance to eligible projects to improve watershed protection, flood prevention, sedimentation control, public water-based fish and wildlife enhancements, and recreation planning. The NRCS requires a 50 percent local match for public recreation, and fish and wildlife projects.

### **State**

#### **North Carolina Parks and Recreation Trust Fund**

This relatively new funding source provides more than \$5 million in matching funds annually for local recreation land acquisition, development and renovation to communities across the state. The funding source, which comes from a real estate transfer tax, requires a 50-50 match from local government and no more than \$250,000 can be requested. The Recreation Resources Service should be contacted for additional information (919-515-7118).

#### **Clean Water Management Trust Fund**

In 1996, the General Assembly established the Clean Water Management Trust Fund (CWMTF) to provide grants to local governments, state agencies, and nonprofit conservation organizations for projects that address water pollution problems. Six and a half percent of the unreserved credit balance in the state's general fund, or a minimum of \$30 million annually, is allocated to the CWMTF. In its first year of operations, the CWMTF received \$39 million.



CWMTF grants are selected by an independent 18-member Board of Trustees for projects that: 1) enhance or restore degraded waters; 2) protect unpolluted waters; and/or 3) contribute towards a network of riparian buffers and greenways for environmental, educational, and recreational benefits. Projects range from land acquisition for greenways and riparian buffers to sewage treatment plant upgrades to planning and mapping for water quality protection.

### **Water Resources Development Project**

This funding source provides up to \$1 million per year for acquisition and development of water-based recreation sites, including greenways. A 50-50 match is required. The Division of Water Resources should be contacted for additional information.

### **North Carolina Department of Transportation**

See ISTEA text above.

### **Pending Water Bond**

This summer (1998), the NC General Assembly will vote on the authorization of a referendum on \$1 billion of state bonds for clean water purposes. If approved by the state's voters, the bond proceeds would be used to make loans to local governments for water and wastewater projects. Greenways could potentially be eligible for funding, due to their water quality benefits.

### **Local**

#### **Taxes**

Greenways can be funded through sales tax revenues. One example of a community that is using sales tax dollars to fund bicycle and pedestrian facilities is Cobb County, Georgia, where citizens voted to implement a one percent local sales tax to provide funding for transportation projects. Over four years, Cobb County DOT will receive \$3.8 million of this sales tax revenue for bicycle improvements alone, to be used as a match for federal dollars. Another example is Oklahoma City, where voters approved a temporary \$0.01 sales tax, which generated millions of dollars for greenway acquisition and development.

In order to raise the sales tax above the current level, the City of Asheville will need approval from the General Assembly, which may be reluctant to grant an additional statewide local option sales tax.

### **Impact Fees**

Impact fees are monetary one-time charges levied by a local government on new development. Unlike required dedications, impact fees can be applied to finance greenway



facilities located outside the boundary of development. The General Assembly has permitted a “small but growing number of local governments to impose impact fees”. These fees can be levied through the subdivision or building permit process to finance greenways in Asheville.

### **Bond Referendums**

Communities across the nation have successfully placed propositions on local ballots to support greenway development. The Charlotte-Mecklenburg County, NC, area passed four consecutive referendums that generated more than \$3 million for greenways. Guilford County, NC also passed a referendum that appropriated \$1.6 million for development of the Bicentennial Trail. If Asheville chooses to propose a bond referendum, the City should consider combining the needs of the Pedestrian Thoroughfare Plan and Parks and Recreation Plan with the Greenways Plan. Since bonds rely on the support of the voting population, an aggressive education and awareness program will need to be implemented prior to any referendum vote.

### **Local Capital Improvements Program**

Some local governments have initiated a yearly appropriation for greenway and trail development in the capital improvements program. In Raleigh, NC, greenways continue to be built and maintained, year after year, due to a dedicated source of annual funding, that has ranged from \$100,000 to \$500,000, administered through the Parks and Recreation Department.

### **Private Funding Sources**

Many communities have solicited greenway funding from a variety of private foundations, corporations, and other conservation-minded benefactors. As a general rule, local foundations and businesses will have a greater interest in and be more likely to fund local projects. These local sources should be approached first, before seeking funds outside the community.

### **Local Foundations**

Several local philanthropic foundations in Asheville have among their priorities funding for community projects like greenway and an interest in environmental and conservation issues. All local foundations have differing eligibility requirements, application procedures and funding guidelines. Foundations which may fund greenway activities should be carefully researched. An initial letter of inquiry is usually the best way to determine if a foundation will consider an application for funding a greenway project.



### **Local Businesses**

Local industries and private businesses may agree to provide support for development of greenways through:

- donations of cash to a specific greenway segment;
- donations of services by corporations to reduce the cost of greenway implementation, including equipment and labor to construct and install elements of a trail;
- reductions in the cost of materials purchased from local businesses which support greenway implementation and can supply essential products for facility development.

This method of raising funds requires a great deal of staff coordination. One example of a successful endeavor of this type is the Swift Creek Recycled Greenway in Cary, NC. A total of \$40,000 in donated construction materials and labor made this trail an award-winning demonstration project. (Note: Some materials used in the “recycled trail” were considered waste materials by local industries!)

### **Trail Sponsors**

A sponsorship program for trail amenities allows for smaller donations to be received both from individuals and businesses. The program must be well planned and organized, with design standards and associated costs established for each amenity. Project elements which may be funded can include wayside exhibits, benches, trash receptacles, entry signage, and picnic areas. Usually, plaques recognizing the individual contributors are placed on the constructed amenities or at a prominent entry point to the trail.

### **Volunteer Work**

Community volunteers may help with trail construction, as well as fund raising. Potential sources of volunteer labor in Asheville could include college students (since some local colleges require community service), local bicyclists, local historical groups, neighborhood associations, local churches, conservation groups, school groups, and local civic clubs such as Kiwanis, Rotary and Lions Clubs.

A good example of a volunteer greenway program is Cheyenne, Wyoming, which generated an impressive amount of community support and volunteer work. The program has the unusual problem of having to insist that volunteers wait to begin landscaping trails until construction is completed. A manual for greenway volunteers was developed in 1994 to guide and regulate volunteer work. The manual includes a description of appropriate volunteer efforts, request forms, waiver and release forms, and a completion form (volunteers are asked to summarize their accomplishments). Written guidelines are also provided for volunteer work in 100-year floodplains.



To better organize volunteer activity, Cheyenne developed an “Adopt-a-Spot” program. Participants who adopt a segment of trail are responsible for periodic trash pick-up, but can also install landscaping, prune trail-side vegetation, develop wildlife enhancement projects, and install site amenities. All improvements must be consistent with the Greenway Development Plan and must be approved by the local Greenway Coordinator. Adopt-a-Spot volunteers are allowed to display their names on a small sign along the adopted section of greenway.

### **“Buy-a-Foot” Programs**

“Buy-a-Foot” programs have been successful in raising funds and awareness for trail and greenway projects across the country. Under local initiatives, citizens are encouraged to purchase one linear foot of the greenway by donating the cost of construction. An excellent example of a successful endeavor is the High Point Greenway “Buy-a-Foot” campaign, in which linear greenway “feet” were sold at a cost of \$25 per foot. Those who donated were given a greenway T-shirt and a certificate. This project provided an estimated \$5,000 in funds.

### **American Greenways DuPont Awards**

The Conservation Fund’s American Greenways Program has teamed with the DuPont Corporation and the National Geographic Society to award small grants (\$250 to \$2,000) to stimulate the planning, design and development of greenways. Riverlink has been a recipient of such grants. These grants can be used for activities such as mapping, conducting ecological assessments, surveying land, holding conferences, developing brochures, producing interpretive displays, incorporating land trusts, building trails, and other creative projects. Grants cannot be used for academic research, institutional support, lobbying or political activities.